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State of Idaho  
Legislative Services Office

Management Report

A communication to the Joint Finance-Appropriations Committee

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**BOARD OF DENTISTRY**

**FY 2004, 2005, and 2006**

Report IC42306

*Serving Idaho's Citizen Legislature*

# FOREWORD

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## **PURPOSE OF REPORT**

We evaluated the internal controls at the Board of Dentistry as part of our effort to evaluate each State Agency at least once every three years. This report summarizes the procedures and their results.

## **SCOPE OF WORK**

The management of the Board is responsible for establishing and maintaining internal controls. We obtained an understanding of the relevant policies and procedures comprising the internal control system. We also determined whether the relevant policies and procedures had actually been placed into operation. Our intent was to indicate where internal controls could be improved in order to help ensure the Board's ability to record, process, summarize, and report financial data accurately.

## **AUDIT AUTHORIZATION**

Reported to the Joint Finance-Appropriations Committee as directed by the Legislative Council of the Idaho Legislature, authorized by Idaho Code, Section 67-429.

## **ASSIGNED STAFF**

Shannon Thomas, Staff Auditor

## **ADMINISTRATION AND TECHNICAL REVIEW**

Don H. Berg, CGFM, Manager, Legislative Audits Division  
Eugene Sparks, CPA, CGFM, Managing Auditor

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## EXECUTIVE SUMMARY LEGISLATIVE AUDITS

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### BOARD OF DENTISTRY

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**PURPOSE AND SCOPE.** We performed certain audit procedures to evaluate the effectiveness of the Board of Dentistry's internal control design and operation. The limited scope of our procedures does not allow us to give an opinion on the Board's internal control system. Accordingly, we do not express an opinion or ensure that all instances of internal control weaknesses were disclosed. Our purpose was to indicate where internal controls could be strengthened to help ensure accurate financial statements and data. Any findings and recommendations are intended to improve the internal control system to prevent errors, omissions, misrepresentations, or fraud.

**CONCLUSION.** We noted no matters involving the internal control over the Board's financial reporting or its operation that we considered to be material weaknesses. However, our consideration of internal controls would not necessarily disclose all matters considered to be a material weakness.

**FINDINGS AND RECOMMENDATIONS.** There are no findings and recommendations in this report or in the prior report.

**AGENCY RESPONSE.** The Board reviewed the report and is in general agreement with its contents.

**FINANCIAL SUMMARY.** No opinion is given on the financial data presented in this report, it is included for informational purposes.

The Board of Dentistry is self-supported and operated with dedicated funds derived principally from application and licensing fees. The primary function of the Board is to ensure that the highest standards of dentistry are available to the residents of the State of Idaho.

#### BOARD OF DENTISTRY – FINANCIAL SUMMARY

	FY 2004	FY 2005	FY 2006
Beginning Cash Balance	\$262,170.66	\$274,585.64	\$279,516.88
Licenses and Fees	279,901.00	289,024.00	296,965.00
Other Receipts	<u>1,381.90</u>	<u>8,561.96</u>	<u>1,051.22</u>
Total Receipts	<u>\$281,282.90</u>	<u>\$297,585.96</u>	<u>\$298,016.22</u>
Total Cash Available	\$543,453.56	\$572,171.60	\$577,533.10
Personnel Costs	138,994.91	169,050.13	176,130.90
Operating Expenditures	111,201.03	115,366.48	115,957.34
Capital Outlay	<u>18,671.98</u>	<u>8,238.11</u>	<u>4,316.00</u>
Total Disbursements	<u>\$268,867.92</u>	<u>\$292,654.72</u>	<u>\$296,404.24</u>
Ending Fund Balance	<u>\$274,585.64</u>	<u>\$279,516.88</u>	<u>\$281,128.86</u>

**OTHER ISSUES.** We discussed other, less important issues which, if changed, would improve internal control, ensure compliance, or improve efficiency.

This report is intended solely for the information and use of the Board of Dentistry and the Idaho Legislature and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the cooperation and assistance given to us by the Board's executive director, Michael Sheeley, and his staff.

**QUESTIONS CONCERNING THIS DOCUMENT SHOULD BE DIRECTED TO:**

Don H. Berg, CGFM, Manager, Legislative Audits Division

Eugene Sparks, CPA, CGFM, Managing Auditor

Report IC42306

# AGENCY RESPONSE

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**BOARD MEMBERS**

Geffrey W. Thompson, DMD  
Chairman  
Coeur d'Alene

Thomas R. Curtis, DDS  
Boise

Janis Davey, RDH  
Sandpoint

Jay M. Harris, DDS  
Idaho Falls



## STATE OF IDAHO BOARD OF DENTISTRY

**BOARD MEMBER**

Jan M. Simpson, RDH  
Blackfoot

Robert Steusloff  
Consumer Member  
Post Falls

Kevin T. Stock, DDS  
Burley

Richard J. Teich, DDS  
Post Falls

April 12, 2007

Don H. Berg, Manager  
Legislative Audits Division  
Legislative Services Office  
P.O. Box 83720  
Boise, ID 83720-0054

Re: Board of Dentistry – Management Report on Internal Controls (FY 2004, 2005 and 2006)

Dear Mr. Berg:

This letter is to acknowledge receipt of the Management Report on Internal Controls as regards the Idaho State Board of Dentistry for fiscal years 2004, 2005 and 2006. The Idaho State Board of Dentistry has completed its review of the aforementioned Management Report on Internal Controls and was gratified by its results, which affirmed the integrity of the Board of Dentistry's current internal controls.

The Board of Dentistry appreciated the professionalism displayed by Shannon Thomas, the staff auditor who conducted this audit. Mr. Thomas conducted the audit in a courteous and professional manner without intruding upon the day-to-day operations of the Board's office. Mr. Thomas made several helpful recommendations regarding internal control procedures that were immediately implemented. The Board of Dentistry's staff appreciated the opportunity to meet with the audit staff prior to and after the dates upon which the audit was conducted.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. Sheeley".

Michael J. Sheeley  
Executive Director

# APPENDIX

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## STATUTORY AUTHORITY

Statutory authority for the Board of Dentistry is established in Idaho Code, Title 54, Chapter 9.

## PURPOSE

The primary function of the Board of Dentistry is to ensure that the highest standards of dentistry are available to the residents of the State of Idaho. The Board fulfills the above function by ascertaining the qualifications and fitness of applicants to practice dentistry or dental hygiene by preparing, conducting, and grading examinations. The Board issues, in the name of the State of Idaho, a certificate of qualification to those candidates found fit and qualified to practice dentistry or dental hygiene. The Board also monitors the professional activities of all license holders practicing within the State of Idaho and provides disciplinary action, as necessary, to protect the public from negligent and unethical practices. The Board investigates and seeks prosecution of any person practicing dentistry or dental hygiene without an active Idaho license.

The Board reviews educational curriculum for dental auxiliary training programs. A major aim of the Board is to ensure a high standard of care by the dental auxiliary and assist dental professionals through establishing guidelines for office procedures involving their auxiliaries.

To further facilitate professional accountability in carrying out the Dental Practice Act, an annual plan was developed to outline desired objectives the Board attempts to achieve. The objectives are monitored toward a time line for accomplishment.

## ORGANIZATION

The Board consists of five licensed dentists, two hygienists, and one consumer member appointed by the Governor. Dentists are appointed upon nomination by the Idaho State Dental Association, hygienists are nominated by the Idaho State Dental Hygiene Association, and the consumer is strictly a gubernatorial appointee.

The Board's office staff includes a full-time executive director, administrative assistant, and a part-time secretary.

## FUNDING

The Board is funded by annual license fees from both dentists and dental hygienists, application fees, and miscellaneous revenue from anesthesia permits, copies, and the sale of mailing lists.

The organizational structure is shown on the attached chart.

# IDAHO STATE BOARD OF DENTISTRY

